



## CITY OF DURHAM | NORTH CAROLINA

**Date:** August 8, 2013

**To:** Thomas J. Bonfield, City Manager

**Through:** W. Bowman Ferguson, Deputy City Manager

**From:** Donald M. Long, Solid Waste Management Director

**Subject:** Amendment #1 to the Contract for Renting Stationary Containers

### Executive Summary

In 2009 the Department of Solid Waste Management ("Department") made the decision to eliminate its Stationary Container Collections Program and issued a Request for Proposal (RFP) to solicit bids from qualified vendors to provide weekly collections for the remaining City sites and a few sites located within the City's Downtown Business District (DBD). Waste Industries, LLC was the vendor selected to provide these services.

Due to substantial growth in the DBD, in August 2012 the Department determined that it would be more cost effective for City staff to perform these services. In agreement with Waste Industries, the original contract was amended and restated for Waste Industries to cease servicing stationary containers for the City, and instead the City would lease the stationary containers. The initial term of the restated Contract was one year, with the option for the City to renew the Contract for two additional one-year terms. The initial one-year term will expire in September 4, 2013.

### Recommendation

The administration recommends that the City Council authorize the City Manager to execute Amendment #1 to the restated CONTRACT BETWEEN THE CITY OF DURHAM AND WASTE INDUSTRIES, LLC FOR STATIONARY CONTAINER RENTAL, renewing the contract for an additional one-year term at a cost of \$16,414.

### Background

In 2009, the Department completed a thorough review of the commercial collection service as part of its reengineering process. It was determined that the continuation of this service was fiscally inefficient, and the Department decided to eliminate the collection of stationary containers, with the exception of City-owned facilities and limited sites within the DBD. The Department issued a RFP to hire a vendor to provide these services. For four years, Waste Industries collected trash and recycling through the use of 8 yard stationary containers. As the DBD continued to grow substantially and the frequency of collections increased, the Department determined that it would be more cost effective for City staff to perform these services. In August 2012 the original contract with Waste Industries was amended, calling for Waste Industries to cease servicing stationary containers for the City and instead the City would lease the containers from Waste Industries. The City entered into a one-year contract to lease the containers from Waste Industries with an option to extend the contract for two additional one-year terms.

### Issues and Analysis

As the downtown businesses continue to increase, stationary collection services will continue to be a need in this area. The Department can provide more efficient services and at a lower cost compared to contracting for this service. The Department better understands the needs of the downtown residents and can adjust collection schedules to meet those needs.

**Alternatives**

The alternative is to issue a Request for Proposal for a vendor to provide the stationary container services instead of City staff. However, the cost to provide the services through a private contractor is not as cost effective and will continue to increase as growth in the DBD increases.

**Financial Impact**

No new funds are being requested for this contract amendment. The department has budgeted for this contract extension within its current budget allocation.

**SDBE Summary**

Not applicable.

**Attachments**

Contract amendment #1